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ESTABLISHED 1887

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Australia... 22 \$... 145 Esc.
Belgium... 1,000 D.A. ... 1,000 D.A.
Canada... 20 \$... 1,000 D.A.
Cuba... 1,000 D.A. ... 1,000 D.A.
Cyprus... 1,000 D.A. ... 1,000 D.A.
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Egypt... 1,000 D.A. ... 1,000 D.A.
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Germany... 1,000 D.A. ... 1,000 D.A.
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Yugoslavia... 1,000 D.A. ... 1,000 D.A.

Soviet Veterans Now Wonder Why

By Esther B. Fein
New York Times Service
MOSCOW — When he left Moscow to fight against the Germans more than 45 years ago, Vasily Bakumenko knew why he, then just 16 years old, was going to war. "For Stalin. For Stalin," said the veteran, now 61. "We were so sure. We wrote it on our tanks and our helmets: For Stalin."
When his nephew, Vyacheslav Kostenyuk, 19, left Krasnodar two years ago to serve in Afghanistan, Mr. Bakumenko thought he knew why. "The Afghans are our friends, our neighbors," he said. "It is in the Russian soul to help."
Now he is not so sure. With Soviet veterans celebrating Victory Day all around him in Gorky Park on Monday, Mr. Bakumenko said he was shocked by what he had seen in the newspapers and on television about the purges of military leaders by Stalin before World War II.
And he is sad over reports that some Soviet soldiers returning from Afghanistan are suffering from alienation, alcoholism and drug abuse.
Victory Day has always been marked by huge celebrations, on a scale unmatched in the United States. For a country that lost 20 million people in the war, the legacy is strong.
Tens of thousands of people filled Gorky Park. Veterans in uniform bedecked with medals gathered under banners of the units in which they fought. Widows carried placards with names and pictures of husbands who did not return. Children ran around seeking signatures on petitions for peace. Bands played and singers sang and all around the park and the city flags snapped in the cold spring air.
But the increasing candor with which Soviet citizens are looking at their society made this Victory Day different. Amid the embraces and the revelry, there were questions.
Mr. Bakumenko knows in his heart, he said, that it was right to fight against fascism. But who, really, he asked, was this man, Stalin, who they as young soldiers thought was their hero?
And was it so necessary, he wondered, to send Soviet youngsters to fight in Afghanistan, in a place so far from home?
"We are lucky," he said. "My nephew came home. And it will be better now that the soldiers will all be back. But it is such a pity. So many young boys. So many deaths."
The questions left unanswered for Mr. Bakumenko have been raised only recently in the Soviet press. Moscow News last week published excerpts of the memoirs of Marshal Georgi K. Zhukov, commander of Soviet forces in



Two Soviet veterans of the war in Afghanistan talking to participants Monday at a Moscow observance of Victory Day, which brought together World War II and Afghanistan war veterans to discuss their ordeals on the battlefield and to wonder about political mistakes back home.

Mitterrand Seeking New Political Mold

Socialist Challenge Is to Find Allies Among the Ruins of a Divided Right
By James M. Markham
New York Times Service
PARIS — Handsomely re-elected, President Francois Mitterrand now faces the hazardous challenge of anchoring French politics at the center-left, softening the confrontation between his Socialist Party and a right that has been sundered in defeat.
The president's ambition is nothing less than creating the opposite of the model imposed on France by De Gaulle, his longtime foe. Whereas De Gaulle was backed by a conservative movement capable of making populist inroads on the left, Mr. Mitterrand seeks to make the Socialists the natural party of government, supported by tactical alliances on the center-right.
The 71-year-old president is buttressed by a victory Sunday of landslide proportions won not as a Socialist but as a reassuring father-figure to the nation. With 54.02 percent of the popular vote, Mr. Mitterrand almost matched the 55.2 percent registered by De Gaulle in 1965, when the general defeated Mr. Mitterrand.
Yet, despite the magnitude of his triumph, Mr. Mitterrand will preside over a period that promises uncertainty, suspense and political maneuvering reminiscent of the postwar Fourth Republic, in which he played such a prominent role. Some politicians are saying that, at the age of 30, the Gaullist Fifth

Republic is being transformed, mysteriously, into a hybrid Sixth.
French financial markets, meanwhile, were calm Monday, with investors appearing moderately upbeat about the economic outlook following Mr. Mitterrand's re-election. The Paris Bourse trend index ended the day with a 1.31-percent gain, and the French franc remained stable against the Deutsche mark, which was fixed in Paris at 3.395 francs, off slightly from 3.4010 on Friday (Page 9).
Heading into uncharted waters, France looks as if it will be deeply preoccupied with domestic debates in the coming weeks and months. It will be up to Mr. Mitterrand, now the nation's paramount political figure, to keep France active on the international scene.
If, as is likely, Mr. Mitterrand names a Socialist politician to form a government, it will result in something that has never been known under the Fifth Republic — a cabinet that does not enjoy a majority in the 577-member National Assembly. Elected in 1986, the National Assembly has a slender conservative majority that supported Prime Minister Jacques Chirac, who was beaten by Mr. Mitterrand on Sunday and who will resign Tuesday.
The Fifth Republic constitution does not require a government to obtain a vote of confidence. But to get legislation passed, a new Socialist prime minister would be obliged to seek votes from conservative legislators and, on occasions, from Communist ones, too. The Socialists have only 215 seats in the lower house.
The prospect of a Socialist minority government, probably sided with a few independent personalities, has already sharpened the rifts on the badly divided right. Many prominent figures in Mr. Chirac's demoralized Gaullist movement are against extending a

NATO and Nuclear Arms Are Crucial Issues in Danish Vote

By Howell Raines
New York Times Service
COPENHAGEN — For the first time in decades, Danes are facing a general election based on military issues, and the campaign has stirred conflicting emotions in an electorate whose pacifist yearnings struggle against Denmark's role in the North Atlantic Treaty Organization.
"I don't hate the Americans," said Eva Bendix, a Social Democrat, at a neighborhood debate. "I don't hate NATO," she added. "We're not fond of nuclear weapons."
Moments before, the intent audience of 35 voters at the Osterbro community center heard a representative of the rightist Progress Party assert a hardheaded view of life in the Soviet shadow.
"It is better to maintain payments of 2.2 percent of our gross national product to NATO than to foot the bill for our own defense," said Kirsten Madsen, one of eight party spokesmen to address the Osterbro Peace Committee. Denmark, she warned, could be perceived as a "snotty little nation" if it provokes a crisis in NATO by barring allied warships with nuclear weapons from its harbors.
Such are the poles of public opinion in a country whose 3.9 million voters seem as confused as its parliament in the debate over nuclear weapons and the NATO relationship — central issues in the voting Tuesday.
Prime Minister Poul Schluter, a Conservative, called the election after the Socialist opposition pushed through a parliamentary resolution on April 14 calling for the government to notify visiting ships of a generally ignored 1957 law barring nuclear weapons from Danish territory.
Mr. Schluter said in an interview that he wanted to jolt Danes into recognizing that NATO membership "is a matter not only of rights, but also obligations, above all, to accept the joint NATO strategy, including nuclear weapons."
But his gamble may backfire. The opposition Social Democrats have been playing to the 82 percent of Danes who, according to a U.S. Information Agency poll, want the Nordic region declared a "nuclear-free zone." The poll found that

Kiosk

Senate Unit Holds Up INF Treaty

By Michael R. Gordon
New York Times Service
WASHINGTON — Senior members of the Senate Select Committee on Intelligence said Monday that the Senate should not take up the new missile accord Wednesday as expected because there were still important differences between the United States and the Soviet Union about how to monitor compliance with the pact.
The assessment by committee members was an setback for Reagan administration efforts to win Senate approval of the Intermediate Nuclear Forces pact before the summit meeting in Moscow later this month.
The Soviet Union formally responded Sunday to U.S. complaints that Moscow was backing away from some of its verification obligations under the treaty. State Department officials initially characterized the Soviet response as generally positive, although they said that some issues still needed to be resolved.
But members of the Senate panel said the Soviet response was not satisfactory after bearing from administration officials in closed session.
"Given the information we have just received, we are not satisfied that we could support this treaty until this issue is resolved," said Senator William S. Cohen, the Maine Republican who serves as deputy chairman of the panel.
Mr. Cohen said the administration was "putting pressure" on the Senate to take up the treaty.
Senate debate on ratification of the treaty had been tentatively set to begin Wednesday. The majority leader, Robert C. Byrd, Democrat of West Virginia, said Monday that he would not permit the debate to begin as long as serious problems remained.

General News

Pope John Paul II in visiting Bolivia will confront deep social and economic ills. Page 5.
Dow Close
Down 10.11
The Dollar in New York
Doll 1.8613
Euro 1.8615
Yen 124.85
FF 5.704

Thatcher Sees Summit As Boost to Gorbachev

By Leonard Downie Jr. and Karen DeYoung
Washington Post Service
LONDON — Prime Minister Margaret Thatcher said Monday that the summit meeting in Moscow this month would provide an important opportunity for President Ronald Reagan to demonstrate the West's support for the changes that Mikhail S. Gorbachev is trying to make in the Soviet Union.
"I think that visit to the Soviet Union could really be a very great plus for the West," Mrs. Thatcher said, "indicating that the reforms that Mr. Gorbachev has started are very much not only to the benefit of the people of the Soviet Union but ... to the rest of the world."
Mrs. Thatcher warned that if the U.S. Senate failed to ratify the treaty eliminating medium-range nuclear arms in Europe and Asia before the May 29 meeting, it could "undermine the new feeling of rising confidence and rising hope" about events in the Soviet Union.
She said that it was unlikely that a treaty on reductions in strategic nuclear weapons would be ready for signing at the summit. But she indicated that should not cause concern.
A strategic arms accord, she said, would be "the most complicated arms control agreement there has ever been, and I think it will be a mistake to rush it."
In an hour-long interview, Mrs. Thatcher also repeated her concern about the U.S. budget deficit.
Asked her opinion of the two leading contenders in the U.S. presidential race, Mrs. Thatcher said she was "a great admirer" of Vice President George Bush, who is certain to win the Republican nomination.
She said that she did not know Michael Dukakis, the Democratic governor of Massachusetts, who is likely to oppose Mr. Bush.
"I do not know Mr. Dukakis," she said. "I read a great deal about him, but then, I know there are



Women holding Korans demonstrated Monday against fighting between Shiite groups in Beirut.

Syria Warns Beirut Groups To End Clashes

New York Times Service
BEIRUT — Syria said Monday that it was determined to stop the fighting that has been going on for four days between rival Moslem Shiite militias in the southern suburbs of Beirut.
Brigadier Ghazi Kanaan, a leader of the Syrian troops in Lebanon, said Syria was reluctant to resort to "more decisive means" to end the clashes between pro-Syrian Amal fighters and fundamentalists of the pro-Iranian Hezbollah. However, he said, "the bloodletting will not be allowed to continue."
The fighting has continued despite attempts by Syrian officers and Iranian diplomats to secure a cease-fire.
The police said 15 persons were killed and 37 wounded on Monday. That raised to 140 the number of people killed since the violence began.

White House Denounces 'Vindictive' Reagan Book

Compiled by Our Staff From Dispatches
WASHINGTON — President Ronald Reagan's spokesman denounced Monday a book by the president's former chief of staff, Donald T. Regan, as a "breach of confidence" but refused to say whether astrology was used to determine the president's schedule.
Mrs. Reagan's spokeswoman said the president's wife was "very upset" by "vindictive" revelations in the book but sides said she had not abandoned the practice of consulting an astrologer to shape her husband's schedule.
"It's come through to me that Don Regan doesn't really like me," Mrs. Reagan was quoted as saying by her press secretary, Elaine Crispin.
The book, "From Wall Street to Washington," went on sale Monday and its most prominent feature is a scathing portrait of Mrs. Reagan.
The White House spokesman, Martin Fitzwater, said Mrs. Reagan would continue to consult an astrologer and said that "she has that right." He repeatedly sidestepped requests to say whether or not Mrs. Reagan's astrologer has had any influence on her husband's public outings.
Mr. Fitzwater said Mr. Regan feels "deep personal disappointment with this breach of confidence."
Mr. Regan, asked about an earlier White House statement labeling his book as a product of "vindictiveness and revenge," responded in an NBC television interview that "they ought to know it when they see it."
Ms. Crispin said Mrs. Reagan still consults with her astrologer, identified by Time magazine as Joan Quigley, a San Francisco socialite. "I'm not saying it's ending or tapering off," she said. "But it certainly does not control their lives."
"Shadowy Distaff Presidency"
David Hoffman of The Washington Post reported earlier: In his book, Mr. Regan depicts Mrs. Reagan as responsible for a "shadowy distaff presidency" that featured an astrologer influencing major scheduling decisions and the president's wife ruthlessly ordering cabinet members dismissed while the president reacted passively.



Donald T. Regan

Walesa Rallies Strikers After Collapse of Talks

By Jackson Diehl
Washington Post Service
GDANSK, Poland — Lech Walesa, leader of the banned Solidarity trade union, rallied workers Monday in the Lenin shipyard to persist in the eighth day of a strike after a compromise agreement between shipyard managers and strike leaders collapsed.
"There was a moment when I thought we were broken, but now today I see the mood here is changing," Mr. Walesa declared in a speech that repeatedly brought workers to their feet to cheer the trade union born here in 1980. "I deeply believe that the group who stayed here is enough for us to win."
Moments after Mr. Walesa had finished, Alojzy Szablewski, the strike committee chairman, asked the assembly of 350 workers, about two-thirds of the total who remain in the besieged shipyard, "Are you ready to fight to the end?"
"Yes," the mostly young workers roared back, and pumped their hands in the air with Solidarity's "V" sign, chanting "We will win, we will win."
The move by Mr. Walesa to rally the strike came after a compromise settlement worked out between the strike committee, Solidarity advisers and government authorities broke down. Though the Catholic bishop of Gdansk, Tadeusz Go-

clowski, was reportedly engaged in a new effort to mediate the conflict, the struggle between the strikers and the government of General Wojciech Jaruzelski appeared to be veering back toward confrontation.
Solidarity's national leadership called on workers around Poland on Monday to initiate strikes and other protest actions to support the shipyard. "Restraining the authorities from again resorting to force and chances of a negotiated settlement of the conflict depend on the force of public pressure," a communiqué from the union's temporary national council said.
The first attempt by workers to respond occurred in the huge Ursus tractor factory in Warsaw, a traditional Solidarity stronghold. Workers said Solidarity supporters circulated through the plant with banners calling for a strike, and later took over the plant mess hall, naming a four-member strike committee and issuing demands, including Solidarity's legalization.
It was not clear how many of the plant's 16,000 workers had joined the strike. P.A.P., the state news agency, said that no strike had taken place and that only 70 workers were demonstrating. Western correspondents said a small group of workers remained inside the mess hall, while opposition sources said

See POLAND, Page 6

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BRIEFS
Talks in Budapest
Defends U.S.
Center-Left Cabinet
Reinstate Chechnya
to Give Cash to
Anti-Apartheid



President-elect Rodrigo Borja Cevallos addressing a victory rally Monday in Quito.

Borja Is Winner in Ecuador, Signaling Movement to Left

By Bradley Graham
Washington Post Service
QUITO, Ecuador — Rodrigo Borja Cevallos has won the Ecuadorian presidency in an election signaling a shift to the left for this economically troubled Andean nation.
Unofficial returns showed Mr. Borja, of the Democratic Left Party, winning about 47 percent of the vote to 40 percent for his rival, Abdala Bucaram Ortiz, a political showman of the Roldosista Party who describes himself as a champion of the poor and an admirer of Hitler.
Conceding defeat after the voting Sunday, Mr. Bucaram called on all Ecuadorians to accept the outcome and join in consolidating the country's nine-year-old democracy.
Void ballots accounted for 13 percent, reflecting a relatively high dissatisfaction with both candidates in this runoff race. Similarly, 20 percent of the 4.6 million eligible voters stayed away from the polls.
The vote concluded one of Ecuador's most bitterly contested presidential campaigns, which turned out on issues but on the sharp contrast in personalities between the sedate Mr. Borja and the explosive Mr. Bucaram.
Critical of the free-market economic policies and close U.S. ties of the incumbent conservative, Leon Febres Cordero, Mr. Borja is expected to reassert state control over the economy, restore diplomatic relations with Nicaragua and distance Ecuador somewhat from the United States. His four-year term begins Aug. 10.
The candidate of the ruling Social Christian Party was eliminated in a first round of balloting Jan. 31.
The second round played on the traditional rivalry between this tranquil mountain capital, which is Mr. Borja's base, and the tropical port city of Guayaquil, where Mr. Bucaram is rooted.
Mr. Borja's Democratic Left is the largest party in this nation of 9.8 million people. But the 52-year-old law professor, who narrowly lost a bid for the presidency four years ago, faced a strong challenge from Mr. Bucaram, 36, a former mayor of Guayaquil.
Mr. Bucaram pledged to nearly double the minimum wage, freeze utility rates, assure every child a pair of shoes and set up a ministry of Indian affairs. A fiery speaker with a fondness for coarse language, he has lured sometimes crude insults at Mr. Borja.
Mr. Bucaram's ability to reach the runoff, analysts said, indicated the power of populism in a country historically prone to strong, colorful leaders and frustrated lately by an inability to return to the kind of growth enjoyed in the oil-boom years of the 1970s. Oil is the major export although Ecuador is one of the smaller producers of petroleum belonging to the Organization of Petroleum Exporting Countries.
Many Ecuadorians were offended or frightened by what they saw as Mr. Bucaram's primitivism, fanaticism and unpredictability. He caused an uproar in February by telling several foreign correspondents of his admiration for Hitler's organizational ability, while he condemned the Nazi leader's "concepts and ideas."
Mr. Bucaram, who comes from a political clan of Lebanese descent, was backed by Ecuador's large Arab business community. He was expected to draw votes from a number of other conservatives afraid that a Borja victory would precipitate a wave of nationalizations.
The possibility of a Bucaram victory had raised the prospect of a military coup, given Mr. Bucaram's tense relations with the armed forces, which last ruled in 1979.
Mr. Bucaram once accused the armed forces of wasting funds on parades and uniforms. Sued for slander by the military and pursued by a state attorney on extortion charges, Mr. Bucaram fled Ecuador in 1985 after serving one year as mayor of Guayaquil.

Envoy Says Bush Wasn't Told of Drug Deals in '85

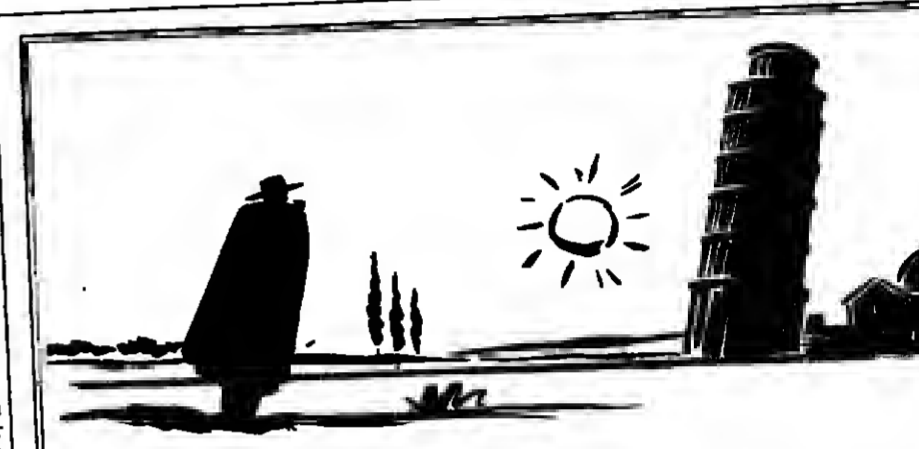
New York Times Service
NEW YORK — Everett Ellis Briggs, the former U.S. ambassador to Panama, says that at a 1985 meeting he did not present Vice President George Bush with evidence of drug trafficking by General Manuel Antonio Noriega, the Panamanian military leader.
Speaking Sunday in Honduras, where he is now serving as ambassador, Mr. Briggs appeared to be taking issue with an article published in The New York Times that said allegations that General Noriega was linked to drug trafficking had been raised at a meeting between the vice president and Mr. Briggs on Dec. 16, 1985.
Mr. Briggs said he could not have told Mr. Bush at the meeting that General Noriega was involved with drugs because the U.S. government had no such evidence then.
General Noriega was indicted on drug charges in February by two Florida grand juries.
"I could not have briefed the vice president on Noriega's drug-running, drug-smuggling or money-laundering activities because we simply did not have evidence of those activities at the time, and so any statement that I did brief him on such matters at that time simply is not true," Mr. Briggs said in a statement in Honduras that was read by Charles Barclay, an embassy spokesman.
The Times report said that, according to Reagan administration officials, Mr. Briggs recounted allegations of General Noriega's drug involvement to Mr. Bush at the 1985 meeting.
Mr. Barclay was told Friday of the Times report. At that time, he said Mr. Briggs would have no comment on the meeting with Mr. Bush.
Asked if Mr. Briggs, in his statement Sunday, was making a distinction between allegations of drug trafficking and evidence of drug trafficking, Mr. Barclay said he could not clarify the statement.
Mr. Barclay said a number of Panamanians had told the embassy in 1985 of allegations that General Noriega was involved in the drug trade. Asked if Mr. Briggs might have passed these allegations on to Mr. Bush in their meeting, Mr. Barclay said he did not know.
In the weeks prior to their meeting, Mr. Briggs had sent cables to the State Department recounting allegations of General Noriega's drug involvement and his possible role in the murder of Hugo Spadella, a political opponent, according to three former senior Reagan administration officials who read the cables. Mr. Bush said he had not seen or heard of the cables.
A study prepared by the U.S. Army's Southern Command in November 1985 said the involvement of the Panamanian Defense Forces in drug dealing was widely known throughout the U.S. government.



Everett Ellis Briggs

Violent Crime Wanes in U.S. But Rates for '80-'84 Are Still Higher Than Europe's

New York Times Service
WASHINGTON — The United States recorded a 21-percent decrease in violent crimes from 1980 through 1984, but crime rates were still much higher for the period, according to the government.
A report by the Justice Department's Bureau of Crime Statistics said homicide, rape and robbery were four to nine times more frequent in the United States than those in Western Europe. The report, released Sunday, considered Australia, Canada and New Zealand as a single entity, and the incidence of violent crime there was only marginally lower than in the United States.
Drawn from the most recent international crime statistics gathered by the United Nations Interpol and the World Health Organization, the report documents crime trends in 41 countries in North America, South America, Europe, Asia and Oceania.
It compared crime rates in the United States against those in Western Europe and Australia-Canada-New Zealand, noting that in those places crime definitions and reporting practices were similar.
These factors vary so much elsewhere, the report said, that it cautioned comparisons among other countries. The report said some countries appear to include attempted crimes while others may underreport crimes in an effort to avoid high rankings.
From 1980 through 1984, the United States reported a homicide rate ranging from 10.5 per 100,000 people to 7.9 per 100,000, while West European countries as a whole reported a rate of fewer than 2 per 100,000. The United States reported an incidence of 36 rapes per 100,000 as opposed to 4.8 per 100,000 in Western Europe.
The homicide rate for Australia-Canada-New Zealand was less than 3 per 100,000 people. The rate for rape ranged from 10.5 per 100,000 in 1980 to 14.1 per 100,000 in 1984.
In the United States and Australia-Canada-New Zealand, the rates for theft and auto theft were roughly twice as high as in Western Europe. The rate of burglary in Australia-Canada-New Zealand was 40 percent higher than in the United States.
While the incidence of crime decreased for the United States from 1980 through 1984, it rose in Western Europe and Australia-Canada-New Zealand.
The U.S. homicide rate fell 21 percent in the five-year period. Robbery was down 16 percent, burglary 24 percent and auto theft 17 percent. There was no sizeable change in rape.
Western Europe noted a 19 percent increase in rape, 50 percent in robbery, 40 percent in burglary and 13 percent in auto theft in the five-year period. No breakdown was given for homicide.
Australia and New Zealand recorded an average increase in rape of 63 percent. Rape figures for Canada were unavailable, the report said. The three countries recorded a 13 percent increase in robbery and 21 percent increase in burglary.



SANDEMAN FOUNDERS RESERVE PORT. NO LONGER RESERVED FOR THE ENGLISH.

Soviets Report Nuclear Test

MOSCOW — The Soviet Union conducted an underground nuclear test early Sunday in the Far North "with the aim of perfecting military technology," the press agency Tass reported. It was the second Soviet test within a week.

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U.S. Crackdown on Casual Drug Use Leads to Seizure of Luxury Yacht

By Laura Parker
Washington Post Service
WASHINGTON — A \$2.5 million yacht was seized by the U.S. Coast Guard after one-tenth of an ounce of marijuana was found on board and the vessel will be sold under the government's new policy aimed at even the most casual drug users.
The 133-foot (40-meter) Ark Royal, whose home port is Philadelphia, was seized Saturday in international waters between Mexico and Cuba after coast guard officers found a butt of a marijuana cigarette in a trash can and a small amount of marijuana in a state-room, coast guard officials in Miami said.
The coast guard can legally board U.S.-flagged vessels in international waters.
None of the six persons on board was arrested, according to Lou Parris, a coast guard spokesman. He declined to identify them but said the boat was registered to a Delaware business, the Tomima Corp. Another coast guard official indicated that only the crew was aboard. The boat, under a coast guard escort, was headed for Key West, Florida.
The seizure reflects the Reagan administration's "zero tolerance" policy, and came at a time when the coast guard has been forced to cut its drug patrols by 50 percent because of budget reductions.
"This new policy should be taken as fair warning to anyone who is using or transporting any detectable amount of drugs on our waterways," Transportation Secretary James H. Burnley 4th said recently.
Mr. Parris said: "The new policy says that any vessel with controlled substances on board is subject to seizure and that does not specify any amount. What it means is just exactly that. Any amount."
He said the coast guard had seized seven other boats — including two shrimp boats — in the Florida district since the new policy took effect April 15. The Ark Royal was believed to be the most valuable of the boats seized so far.
Mr. Parris said, adding that about a dozen boats have been seized nationally.
In one of the other seven boardings, the coast guard found one marijuana cigarette, a marijuana cigarette butt and some ash, Mr. Parris said.
"Basically, we get between 100 and 120 busts a year on smugglers," he said. "In order to do that, we board between 6,000 and 8,000 vessels a year. We're still making as many of those boardings as we can. The only difference is, if there are small amounts, what sometimes is classified as recreational use, we're making seizures at that point, rather than letting them go."

Cash Crunch Seen for Cocaine King

By Shirley Christian
New York Times Service
SANTA CRUZ, Bolivia — The man police officials consider to be the leading cocaine trafficker in Bolivia is reported to be in serious financial difficulty after the arrests of three important members of his organization.
Officials and drug experts in La Paz and Santa Cruz say Jorge Roca Suárez is short of cash and trying to sell off real estate and business properties in the Santa Cruz area, where he has his base.
"We hear that Roca Suárez is nervous and on the defensive," said a spokesman for the U.S. Drug Enforcement Administration in La Paz. "He has a lot of debts and is having difficulty paying."
"He left the country for several months," the spokesman added, "then came back and wanted to sell some assets."
Since October, three men linked to Mr. Roca Suárez's organization, including his half-brother, Luis Fernando Roca Ali, have been arrested by the Bolivian police. Mr. Roca Ali was arrested in October in the Chaparé region, the main growing area for coca, and charged with complicity in drug trafficking.
Police officials said that "quite a sum of money" was offered to free him but that the judicial authorities had so far resisted the effort.

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Herald Tribune INTERNATIONAL

Denmark Slices Too Thin

The Danish opposition coaxed this resolution out of the parliament: Henceforth, Denmark will simply notify ships that it has a 30-year-old policy...

Let the Lebanese Do It

Israel has ended its latest incursion into southern Lebanon, and some Israelis are finding fault with the measure of consultation and planning that went into the operation...

The Sky Did Not Fall

When stocks crashed Oct. 19, soothsayers predicted more bad news. But Ronald Reagan, sounding like Herbert Hoover in 1929, quickly declared that "the underlying economy remains sound..."

Other Comment

Which Mitterrand Now? The voters who, two years ago, rejected France's experiment under socialism, have quickly forgotten the costs of that endeavor...

France: Victory Goes to the 'Radical Center'

By William Pfaff

PARIS — The presidential election in France has produced extreme moderation's triumph over extremism. France has not gone to the right. Quite the contrary.

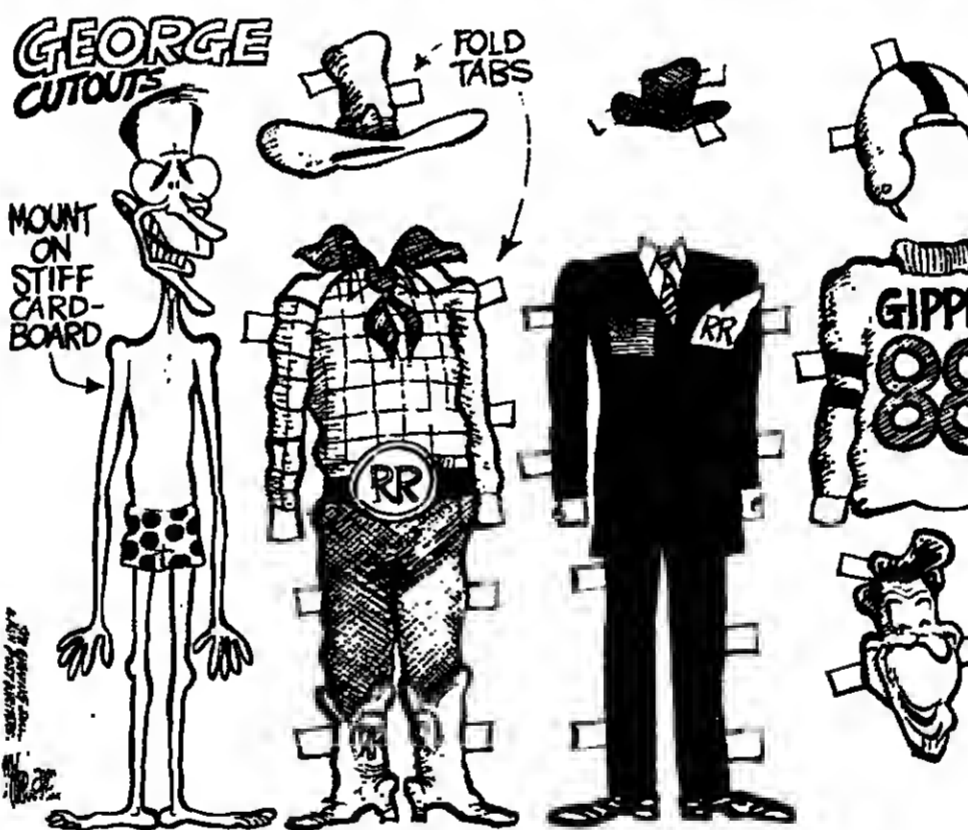
At least not for long. The movie is over, the audience has changed and so have many of the problems. His way is not Ronald Reagan's.

Message for Bush: We Already Have a Ronald Reagan

By James Reston

WASHINGTON — Vice President George Bush is running a puzzling campaign. He is trying to be as cheery as Ronald Reagan and as folksy as Jesse Jackson...

only if he demonstrates that this experience has given him a vision of the coming age. If he has one, he has been remarkably quiet about it.



U.S. House Races Are No Contest, and That's No Good

By David S. Broder

WASHINGTON — In the past dozen years, party control of the White House has changed twice, going from the muted conservatism of Gerald Ford to the muted liberalism of Jimmy Carter and back to the right with Ronald Reagan.

Commission reported last week that in the first 15 months of this election cycle, through March 31, House incumbents raised more than \$75 million while their challengers collected \$10 million.

100, 75 AND 50 YEARS AGO

1888: War With Canada? NEW YORK — Letters have been received from Erastus Winman, the public-spirited English merchant of this city, who is now traveling in Canada.

1913: Paris-Berlin Talks BERNE — The Franco-German Conference, which is to meet [on May 11] in Bern for the purpose of studying ways of bringing about a rapprochement between the two countries, owes its origin not to the official intervention of the Swiss Federal Council...

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1938-1982 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen



They did so at a time when Europe still was recovering from a war that had demonstrated clearly the sinister power of racism.

Mrs. Re Had Ne... Pope to... The John Paul II looking... presented him w... The pope...

OPINION

Mrs. Reagan's Lesson: Stars Had Nothing to Do With It

By William Safire

WASHINGTON — We are in for an orgy of astrology-bashing. As a result of the score-settling by the former White House chief of staff, Don Regan, in his million-dollar memoir, the inclination of the first lady to consider star signs in the scheduling of her Ag-of-Aquarius husband will be endlessly spoofed.



Granted, Mr. Meese was closer to the Reagans over a longer period of time than Mr. Regan, and the president would not "look kindly" on any abandonment of his only original Reaganaut, but longtime loyalty never took priority over the Reagan image. The stronger reason for Mrs. Reagan's silence is that she learned her lesson in her previous overstepping.

A Parents' Guide to Things That Go 'Ket' in the Night

By Kyle Jarrard

PARIS — Some days he seems to change all at once. Day 613 was one. You see, he lives in the next room. A small room, but in the beginning it was quite ample for one his size.

LETTERS TO THE EDITOR

Abu Jihad: 'Humane' Assassination or Act of Terrorism?

The Israeli government refuses to talk with the Palestine Liberation Organization until the group renounces terrorism. Now, evidence suggests that the Israeli government orchestrated the death of the PLO's No. 2 man, Khalil al-Wazir, or Abu Jihad. Mr. Wazir was shot on April 16 in front of his wife and daughter.

Chinese Quota Denied

You should not have used the New York Times editorial "China Afraid of Brains" (April 14), on China's policy on sending students to the United States, without first checking with people in policy-making positions.

The Wrong Contraction

Regarding "Speaking Out" on Sex: What Ronald Reagan Didn't Say (Meanwhile, April 22): In recounting his interview with Ronald Reagan about the president's health and age, George Skelton said Mr. Reagan suffered from a rare hereditary malignancy called Dupuytren's Contraction.

Regarding 'Wazir's Killing: A First Account' (April 22)

The daily cycle of violence and brutality in the Middle East took on a new level of cynicism with the self-congratulatory pieties from Israel about "humane" assassinations, which we are told "spares" the lives of women and children.

Testing for Success

Daniel Goleman's report on new testing for "practical intelligence" ("Tests to Measure Emotional and Practical Intelligence," April 7) troubles me. What apparently matters in the new tests (and, the experts argue, life itself) is "the knack of selling" and that of management — of self, others, one's career.

Letters intended for publication

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

GENERAL NEWS

Pope to Confront Drug Trade in Bolivia

By Roberto Suro
MONTEVIDEO — After two days of courting the highly secularized Uruguayan society, Pope John Paul II was headed for Bolivia, where he will confront a series of turbulent social and economic problems ranging from unemployment to drug trafficking.



Pope John Paul II looking on with apparent bemusement after his hosts to the town of Florida, Uruguay, presented him with a gazza vira, a miniature deer from the area 100 kilometers north of Montevideo. The pope, who is on his ninth visit to Latin America, ordained 13 priests in Florida.

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ARTS / LEISURE

Clients Rescue An English Pub And Themselves

By Warren Getler
COOKHAM DEAN, England
It was once the village morgue. Today, things are more animated in the flint stone and brick building that is the Jolly Farmer pub.

Jolly Farmer "by the village and for the village," as a new plaque above the entrance states.
A six-man board of directors assigned each shareholder responsibility for the maintenance of certain windows and other niches of the pub.



Some of the Cookham 57 lift a glass to celebrate their takeover of the Jolly Farmer by its regulars.

"I've been coming here for 20 years," said Frances Maynard, a soft-spoken 93-year-old who is clearly the dean of Jolly supporters.

"We prevailed upon Courage to sell it to us for £300,000 just two days before it was to go to auction," said Keith White, 48, a local real estate man and a co-director of Jolly Farmer Ltd.

resident professionals. No skills were to be left untapped.
Jim Ricketts, a farmer, lent a tractor to clear away unsightly thickets behind the pub.

White's renaissance, said that "within one hour of buying the pub, we threw out the gambling machine. The chap who supplied it said 'You must be crazy, this will make you £5,000 a year,' but we said, take it, it doesn't suit us."

White says that business, both in the pub and restaurant, is buoyant and that beer sales are nearly double what they were before the takeover.

Soviet Streets Show Change Of Attitude Toward Erotica

By Gary Lee
Washington Post Service
MOSCOW — Along Moscow's art-lined Arbat street, where many a Soviet trend has been launched, the latest act of boldness is a display of dancing nudes on canvas.

seven inches above the knee. The hottest selling book is a list-and-tell exposé about the foibles of a Leningrad prostitute.
The theater hit "Stars Under a Summer Sky" features various stages of nudity.

Union, anti-pornography laws are strictly enforced, sex education, hardly exists and gays are jailed as sexual deviants.

Around the corner on Kainitsky Prospect, a window exhibition of winter coats has been replaced with the latest in spring wear, including a scanty leather outfit that is embellished with chains to help cover the back, shoulders and abdomen.

In Leningrad, the hit of the theater season opens teasingly with eight beds sprawled across the stage and gradually builds to the first-ever frontal nudity scene on the Soviet stage.

When Nadezhda Mandelstam, wife of the poet Osip, first read "Lolita" — the tantalizing saga of an affair between an adolescent girl and a middle-aged man — she fell into a rage.

DOONESBURY



And yet, crowds in the Arbat gawk freely at the freshly painted nudes propped up between landscapes of the Kremlin and still lifes of bread.

For example, the actress Alla Plotkina heard that a director famous for a film about the Russian revolution was turning his talents toward an erotic movie.

The enlightened seem few and far between. Across the Soviet Union, anti-pornography laws are strictly enforced, sex education, hardly exists and gays are jailed as sexual deviants.

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NYSE Most Actives table with columns for Vol., High, Low, Last, and Chg.

Market Sales table with columns for NYSE Adv. volume, NYSE Prev. close, etc.

NYSE Index table with columns for High, Low, Close, Chg.

Monday's NYSE Closing logo and text: Via The Associated Press

AMEX Diary table with columns for Class, Prev., and Chg.

NASDAQ Index table with columns for Class, Prev., and Chg.

AMEX Most Actives table with columns for Vol., High, Low, Last, and Chg.

Dow Jones Bond Averages table with columns for Bonds, Utilities, and Industrials.

NYSE Diary table with columns for Advanced, Declined, and Unchanged.

Odd-Lot Trading in N.Y. table with columns for Buy, Sell, and % of Total.

Dow Jones Averages table with columns for Industrials, Transp., and Comp.

Standard & Poor's Index table with columns for Industrials, Total Issues, and Unchanged.

NASDAQ Diary table with columns for Class, Prev., and Chg.

AMEX Stock Index table with columns for High, Low, Close, and Chg.

Tables include the nationwide prices up to the closings on Wall Street and do not reflect late trades elsewhere.

Dow Continues Slow Retreat

NEW YORK — Prices on the New York Stock Exchange closed lower Monday in moderate trading, extending the market's retreat to four consecutive sessions...

pressure in the market and not much in the way of sell programs. "Markets that are dull usually go down," he said. Al Goldman, market strategist with A.G. Edwards & Sons in St. Louis, Missouri, said "The market started to deteriorate on Wednesday of last week..."

Table of stock prices for various companies including AAR, ABB, ABC, etc.

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INTERNATIONAL STOCK MARKETS

'Big Bang Español' Likely At Madrid Stock Exchange

By REGINALD DALE

International Herald Tribune

MADRID — Long a relative backwater among European stock markets, Madrid's old-fashioned bourse is being rapidly propelled toward the modern international mainstream by the currents of external and domestic change. Foreign investors, many of whom were scared off by last October's world stock market collapse, are beginning to return as Spain's economic boom shows few signs of slowing after more than two years of Spanish membership in the European Community.

"There is tremendous interest by international institutions, mainly British and American, in investing in Spain," said Mariano Bengoechea Park, chief executive of the Madrid Bourse, or Bolsa. "Spain is in fashion."

International awareness has received sharp stimulus both from the imminence of major stock market reforms, known locally as "El Big Bang Español," and from the jolt of the dramatic events of last October.

When the plunge in world stock prices hit Madrid harder than most other European exchanges, "we suddenly started to become international," said Javier Núñez, a dealer and analyst at Asesores Bursátiles, one of Madrid's leading stock brokers. "We discovered we were no longer sheltered."

After a heady boom starting last May, the Madrid general index plummeted from its early-October peak of 328 to the year's low of 201 in mid-December — a fall of 38 percent. But by the New Year it had recovered to 227, and it is now around 270, a level at which "there is no selling pressure and the market is quite happy," one analyst said.

Not everyone shares Mr. Bengoechea's expectation that the index will reach 300 by the end of this year, still less other predictions of 350 or 400. But there is general agreement among analysts that the overall trend is upward.

In its April stock market review, Asesores Bursátiles said it believed that "suitable conditions exist for a sustained bull market over the next few months." It pointed to a continuing downward trend in interest rates, despite a temporary pause last month, estimated economic growth of 4 percent this year, probable low inflation and higher corporate earnings.

PRELIMINARY assessments suggest corporate profits are up about 35 percent so far this year in the banking sector, and perhaps up to 40 percent in other sectors. That is around the same as last year, but higher than the 25 percent originally expected.

With volume running at around 11 billion pesetas (about \$100 million) a day, compared to 22 billion pesetas last September, the market remains narrow and dominated by a small group of traditional leading stocks. But with fewer than 340 companies listed, "the potential for medium-sized privately owned companies to go public is enormous," said Timothy Plumtree, regional director of Britain's Lloyds Bank.

That is one of the aims of the controversial stock market reforms that the Spanish Parliament is expected to pass in September, despite strong opposition to many of the measures from the state-licensed stock brokers, who will lose their traditional monopoly.

The reforms are intended to improve the efficiency, transparency and cost-effectiveness of Spanish stock market operations, linking regional exchanges in Barcelona, Bilbao and Valencia with Madrid in a continuous, computerized trading operation. A new code of conduct and a supervisory body resembling the U.S.

See MADRID, Page 13

Generali Doubling Its Capital

Insurer Lifts Base To \$880 Million

Compiled by Our Staff From Dispatches

MILAN — Italy's leading insurance group, Assicurazioni Generali SpA, announced Monday that it plans to more than double its capital to 1.1 trillion lire (\$880 million), and that 1987 profit rose sharply.

The rise in capital, from 420 billion lire, could help Generali finance a possible acquisition in the consolidating European insurance market. The insurer disclosed that it now had 14.48 percent of Compagnie du Midi, the French insurance and real estate group. Previously, Generali had confirmed a 13.65 percent stake.

Generali did not say how it had increased its stake or its intentions for Midi, which two weeks ago announced a surprise proposal to merge its insurance activities with those of another French insurance concern, Groupe Axa.

The proposed merger, in which Axa would take a 25 percent to 30 percent stake in Midi, was viewed by analysts as a defensive measure against a possible hostile move by Generali.

Generali said in April that it wanted to remain a significant shareholder in Midi but denied reports that it wanted control.

Generali said that 1987 operating profit climbed 16.7 percent, to 2.5 trillion lire, and that its total board proposed an unchanged 1987 dividend of 600 lire a share.

Under the capital plan, to be submitted to a shareholders' meeting in June, Generali is to use its reserves to issue one free share in existing shareholders for every two held, to raise the capital to 840 billion lire from 420 billion.

For the remainder of the increase to 1.1 trillion lire, Generali will issue 110 million new shares. Existing shareholders will be entitled to buy one new share for every two held, before the distribution of free shares.

Chris Moore, an analyst for the Milan investment company Sige SpA, said the capital-raising project was generally in line with market expectations.

He said he believed Generali would probably not launch a tender offer for Midi. "It would be too expensive," he said, "and it's not their style." (AFP, Reuters)



E. W. Ingram 3d, a grandson of the co-founder of the White Castle chain, outside one of his outlets.

White Castle Steps Down a New Path

Oldest Burger Chain Enters the Age of Modern Marketing

By Julia Flynn Siler

New York Times Service

CHICAGO — For years, the 10-year family run White Castle restaurant chain in a suburban old-fashioned way, instead of advertising heavily, franchising or redesigning stores, the company relied on a simple menu of a square little hamburger that die-hard fans would buy by the bagful and devour at one sitting.

"Everybody's got their 3-in-the-morning White Castle story," said Richard A. Stallone, an analyst with Shearson Lehman Hutton Inc. "It's a cult."

While such fierce loyalty has kept White Castle's per-store sales among the highest in the fast-food industry, E. W. Ingram 3d, the grandson of the co-founder, has privately begun to lead the chain into the modern marketing. The company, which was the oldest U.S. restaurant chain, is adding new dishes, displaying a new look at its outlets and spreading word of its burgers in advertising campaigns on television.

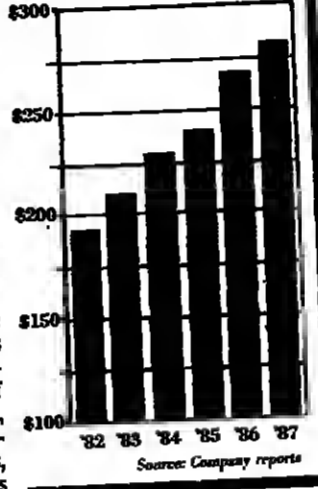
"We've realized for a long time that we were not strong marketers," Mr. Ingram, 37, said. "Now, we're looking to the outside for a new direction and new ideas."

Mr. Ingram, for instance, has made a habit of studying the operations of nearly every fast-food chain in the country, including McDonald's, Burger King and Wendy's.

This year, it plans to promote its double burgers with soft drink giveaways and has begun test-mar-

White Castle's Growing Business

White Castle's revenues, in millions of dollars.



Source: Company reports

Pound Soars On Economist's Bullish Report

Compiled by Our Staff From Dispatches

LONDON — The British pound rose strongly on Monday after a prominent economist said it was undervalued against the Deutsche mark.

The currency continued to rise on rumors, later denied, that the British chancellor of the Exchequer, Nigel Lawson, was planning to resign over a disagreement on the government's policy for the pound.

Goldman Sachs International's chief economist, David Morrison, said the British economy would be competitive even with the pound at 3.27 Deutsche marks. He dismissed as "totally unfounded" fears that a new surge of the pound would be ruinous for British exports.

Mr. Lawson said that any further rise in the pound would not be sustainable. Prime Minister Margaret Thatcher, however, has favored letting the markets decide on the currency's proper level.

The pound closed in London at 3.1608 Deutsche marks, up more than 3 pence from Friday's close of 3.1298, renewing its advance from below 3 DM early in the year. That pushed its trade-weighted index against a basket of currencies in 78.5 percent of its 1975 value, up from 78.2 on Friday.

Some selling at about \$1.8800 kept the pound in check against the dollar. It closed just below that barrier at \$1.8790, still well up from Friday's \$1.8625.

French Markets Calm On Mitterrand Victory

By Jacques Neher

Special to The Herald Tribune

PARIS — French financial markets were calm Monday, with investors appearing relatively enthusiastic following President François Mitterrand's victory over Prime Minister Jacques Chirac in Sunday's presidential runoff election.

Economists, meanwhile, predicted a period of uncertainty for the French business community until a domestic political realignment was completed following the Socialist president's overwhelming 54 percent to 46 percent win over Mr. Chirac, the Gaullist candidate of the French conservatives.

After rising more than 2 percent on a surge of foreign buying, the Paris Bourse trend index ended Monday with a 1.31 percent gain. Volume was heavier than usual, at about 1.5 billion francs (\$263 million).

The French franc remained stable Monday against the Deutsche mark, dispelling worries that the French currency might have to be devalued, as has been customary following elections in recent years. The mark was fixed at 3.395 francs, off slightly from 3.4010 on Friday, and well under its ceiling of 3.4035 in the European Monetary System's exchange rate mechanism.

Brokers said that foreign investors, particularly from London, had bought French shares because they viewed Mr. Mitterrand's leadership as stable and having a calming influence on the country, while Mr. Chirac was seen as more unpredictable.

Construction and civil engineering stocks such as Bouygues SA, Colas and SGE registered some of the biggest gains on Monday, as investors speculated that a new government would increase public works spending.

Retailing stocks such as Société Carrefour also registered strong gains on the expectation that the next government would move to increase the minimum wage, boosting disposable income.

William Timmerman, an equities dealer with the Paris broker Puget SA, said the market believes that the new government will be able to reduce interest rates, boost business investment through tax incentives and institute measures to protect minority shareholders.

However, Gabriel Fraçois, chief economist with Banque Nationale de Paris, said it was difficult to make predictions about economic measures without knowing whether Mr. Mitterrand would dissolve the National Assembly and call new elections in the hope of replacing the current conservative majority with a leftist or left-center majority.

EC Study Predicts Short-Term Job Cuts in 1992

Reuters

BRUSSELS — Abolishing trade barriers within the European Community could bring a short-term increase in unemployment but more jobs, higher growth and lower prices thereafter, according to a major study published by the EC Commission on Monday.

The most spectacular projections of the study — a 4.5 percent boost to economic growth, a 6 percent drop in prices and 1.8 million new jobs — were published six weeks ago. More expansionary economic policies would magnify those benefits, the study said.

On Monday, the commission, the community's executive body, published a mass of research evidence to back the forecasts and convince governments and business to prepare themselves for the creation of a genuine common market by the end of 1992.

The study showed that about 250,000 jobs could be lost as companies gear up for tougher competition and that many companies protected by government regulations could see their profit margins squeezed.

"For business and government, the two main actors, the road to market integration will be paved with tough adjustments and the need for new strategies," the commission said in an accompanying book addressed to the general reader.

The book is being published in all nine languages of the EC.

The 12 member nations are committed to transforming their disparate national economies into a single market of 320 million consumers so that Europe can compete more effectively with the industrial might of the United States and Japan.

But member governments have so far approved only about a quarter of some 300 measures to eliminate internal border controls, achieve common technical standards and open big public sector contracts to companies from anywhere in the community.

"One thing is certain," the study said. "Firms from outside the EC, who are already positioning themselves in community markets in anticipation of the program's success, will not miss opportunities overlooked by their indigenous rivals."

A survey of more than 11,000 companies across the community that formed part of the study showed that 56 percent believed the unified market would give them greater opportunities and 67 percent expected increased exports to EC countries.

The study, compiled from 16 reports by independent consultants, found the potential cost savings of integrating EC markets was 174 billion to 258 billion European currency units (\$215 billion to \$319 billion).

Those savings would come from removing technical and administrative barriers, economies of scale as companies expand and lower prices because of increased competition, the study said.

It said governments could take advantage of the overall drop in their costs to stimulate their economies by reducing taxes and increasing investment, without increasing budget deficits or inflation or straining their balance of international payments.

A moderate stimulus could add an extra 7 percent to economic growth instead of 4.5 percent and create 5 million extra jobs instead of 1.8 million, it said. Inflation would fall by 4.5 percent instead of 6 percent.

The study also predicted that 1.8 million new jobs would not be enough to make a big dent in EC unemployment, which now totals 16.6 million.

A short-term increase in unemployment would include customs and excise officers and transit agents who would lose their jobs as border controls within the EC were removed.

Cheaper credit costs caused by greater competition in the financial services sector could also reduce jobs by making it less expensive for companies to invest in new machines.

Currency Rates

Cross Rates	May 9
American dollar	1.8790
British pound	3.1608
Deutsche mark	3.3950
French franc	6.5596
Italian lira	2.3667
Japanese yen	163.60
Swiss franc	2.0375
Spanish peseta	166.64
U.S. dollar	0.5548
Yen	0.0061

Other Dollar Values	May 9
Australian dollar	1.4950
Canadian dollar	0.7510
East German mark	2.3000
West German mark	1.9360
Italian lira	2.3667
Japanese yen	163.60
South African rand	1.5000
Swiss franc	2.0375
U.S. dollar	0.5548
Yen	0.0061

Forward Rates	30-day	60-day	90-day	120-day	150-day	180-day
British pound	1.8820	1.8770	1.8720	1.8670	1.8620	1.8570
Deutsche mark	3.4000	3.3950	3.3900	3.3850	3.3800	3.3750
Japanese yen	163.60	163.60	163.60	163.60	163.60	163.60

Interest Rates

Eurocurrency Deposits	May 9
1-month Dollar	7 3/4%
3-month Dollar	7 1/2%
6-month Dollar	7 1/4%
1-year Dollar	7 1/2%
1-month Euro	6 3/4%
3-month Euro	6 1/2%
6-month Euro	6 1/4%
1-year Euro	6 3/4%

Key Money Rates	May 9
3-month Treasury bill	7 1/4%
90-day Treasury bill	7 1/4%
3-month Treasury note	7 1/4%
3-month CD	7 1/4%
3-month CD	7 1/4%
3-month CD	7 1/4%

Asian Dollar Deposits	May 9
1-month	7 1/2%
3-month	7 1/2%
6-month	7 1/2%
1-year	7 1/2%

U.S. Money Market Funds	May 9
Merrill Lynch Realty Assets	5.88
Tetratec Interest Rate Index	6.94

Gold	May 9
London	442.75
Paris (172.5 kilo)	442.75
Zurich	442.75
Amsterdam	442.75
New York	442.75

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12 Month High	Low	Stock	Div. Yld. PE	52 Wk High	Low	Close	Chg.
12.00	11.00	IBM	5.8 15.5	120.00	110.00	115.00	+5.00
35.00	32.00	AT&T	4.8 17.5	35.00	32.00	33.00	+1.00
12.00	11.00	GE	4.8 13.5	12.00	11.00	11.50	+0.50
18.00	17.00	IBM	5.8 15.5	18.00	17.00	17.50	+0.50
25.00	24.00	IBM	5.8 15.5	25.00	24.00	24.50	+0.50
30.00	28.00	IBM	5.8 15.5	30.00	28.00	29.00	+1.00
35.00	33.00	IBM	5.8 15.5	35.00	33.00	34.00	+1.00
40.00	38.00	IBM	5.8 15.5	40.00	38.00	39.00	+1.00
45.00	43.00	IBM	5.8 15.5	45.00	43.00	44.00	+1.00
50.00	48.00	IBM	5.8 15.5	50.00	48.00	49.00	+1.00
55.00	53.00	IBM	5.8 15.5	55.00	53.00	54.00	+1.00
60.00	58.00	IBM	5.8 15.5	60.00	58.00	59.00	+1.00
65.00	63.00	IBM	5.8 15.5	65.00	63.00	64.00	+1.00
70.00	68.00	IBM	5.8 15.5	70.00	68.00	69.00	+1.00
75.00	73.00	IBM	5.8 15.5	75.00	73.00	74.00	+1.00
80.00	78.00	IBM	5.8 15.5	80.00	78.00	79.00	+1.00
85.00	83.00	IBM	5.8 15.5	85.00	83.00	84.00	+1.00
90.00	88.00	IBM	5.8 15.5	90.00	88.00	89.00	+1.00
95.00	93.00	IBM	5.8 15.5	95.00	93.00	94.00	+1.00
100.00	98.00	IBM	5.8 15.5	100.00	98.00	99.00	+1.00
105.00	103.00	IBM	5.8 15.5	105.00	103.00	104.00	+1.00
110.00	108.00	IBM	5.8 15.5	110.00	108.00	109.00	+1.00
115.00	113.00	IBM	5.8 15.5	115.00	113.00	114.00	+1.00
120.00	118.00	IBM	5.8 15.5	120.00	118.00	119.00	+1.00
125.00	123.00	IBM	5.8 15.5	125.00	123.00	124.00	+1.00
130.00	128.00	IBM	5.8 15.5	130.00	128.00	129.00	+1.00
135.00	133.00	IBM	5.8 15.5	135.00	133.00	134.00	+1.00
140.00	138.00	IBM	5.8 15.5	140.00	138.00	139.00	+1.00
145.00	143.00	IBM	5.8 15.5	145.00	143.00	144.00	+1.00
150.00	148.00	IBM	5.8 15.5	150.00	148.00	149.00	+1.00
155.00	153.00	IBM	5.8 15.5	155.00	153.00	154.00	+1.00
160.00	158.00	IBM	5.8 15.5	160.00	158.00	159.00	+1.00
165.00	163.00	IBM	5.8 15.5	165.00	163.00	164.00	+1.00
170.00	168.00	IBM	5.8 15.5	170.00	168.00	169.00	+1.00
175.00	173.00	IBM	5.8 15.5	175.00	173.00	174.00	+1.00
180.00	178.00	IBM	5.8 15.5	180.00	178.00	179.00	+1.00
185.00	183.00	IBM	5.8 15.5	185.00	183.00	184.00	+1.00
190.00	188.00	IBM	5.8 15.5	190.00	188.00	189.00	+1.00
195.00	193.00	IBM	5.8 15.5	195.00	193.00	194.00	+1.00
200.00	198.00	IBM	5.8 15.5	200.00	198.00	199.00	+1.00
205.00	203.00	IBM	5.8 15.5	205.00	203.00	204.00	+1.00
210.00	208.00	IBM	5.8 15.5	210.00	208.00	209.00	+1.00
215.00	213.00	IBM	5.8 15.5	215.00	213.00	214.00	+1.00
220.00	218.00	IBM	5.8 15.5	220.00	218.00	219.00	+1.00
225.00	223.00	IBM	5.8 15.5	225.00	223.00	224.00	+1.00
230.00	228.00	IBM	5.8 15.5	230.00	228.00	229.00	+1.00
235.00	233.00	IBM	5.8 15.5	235.00	233.00	234.00	+1.00
240.00	238.00	IBM	5.8 15.5	240.00	238.00	239.00	+1.00
245.00	243.00	IBM	5.8 15.5	245.00	243.00	244.00	+1.00
250.00	248.00	IBM	5.8 15.5	250.00	248.00	249.00	+1.00
255.00	253.00	IBM	5.8 15.5	255.00	253.00	254.00	+1.00
260.00	258.00	IBM	5.8 15.5	260.00	258.00	259.00	+1.00
265.00	263.00	IBM	5.8 15.5	265.00	263.00	264.00	+1.00
270.00	268.00	IBM	5.8 15.5	270.00	268.00	269.00	+1.00
275.00	273.00	IBM	5.8 15.5	275.00	273.00	274.00	+1.00
280.00	278.00	IBM	5.8 15.5	280.00	278.00	279.00	+1.00
285.00	283.00	IBM	5.8 15.5	285.00	283.00	284.00	+1.00
290.00	288.00	IBM	5.8 15.5	290.00	288.00	289.00	+1.00
295.00	293.00	IBM	5.8 15.5	295.00	293.00	294.00	+1.00
300.00	298.00	IBM	5.8 15.5	300.00	298.00	299.00	+1.00
305.00	303.00	IBM	5.8 15.5	305.00	303.00	304.00	+1.00
310.00	308.00	IBM	5.8 15.5	310.00	308.00	309.00	+1.00
315.00	313.00	IBM	5.8 15.5	315.00	313.00	314.00	+1.00
320.00	318.00	IBM	5.8 15.5	320.00	318.00	319.00	+1.00
325.00	323.00	IBM	5.8 15.5	325.00	323.00	324.00	+1.00
330.00	328.00	IBM	5.8 15.5	330.00	328.00	329.00	+1.00
335.00	333.00	IBM	5.8 15.5	335.00	333.00	334.00	+1.00
340.00	338.00	IBM	5.8 15.5	340.00	338.00	339.00	+1.00
345.00	343.00	IBM	5.8 15.5	345.00	343.00	344.00	+1.00
350.00	348.00	IBM	5.8 15.5	350.00	348.00	349.00	+1.00
355.00	353.00	IBM	5.8 15.5	355.00	353.00	354.00	+1.00
360.00	358.00	IBM	5.8 15.5	360.00	358.00	359.00	+1.00
365.00	363.00	IBM	5.8 15.5	365.00	363.00	364.00	+1.00
370.00	368.00	IBM	5.8 15.5	370.00	368.00	369.00	+1.00
375.00	373.00	IBM	5.8 15.5	375.00	373.00	374.00	+1.00
380.00	378.00	IBM	5.8 15.5	380.00	378.00	379.00	+1.00
385.00	383.00	IBM	5.8 15.5	385.00	383.00	384.00	+1.00
390.00	388.00	IBM	5.8 15.5	390.00	388.00	389.00	+1.00
395.00	393.00	IBM	5.8 15.5	395.00	393.00	394.00	+1.00
400.00	398.00	IBM	5.8 15.5	400.00	398.00	399.00	+1.00
405.00	403.00	IBM	5.8 15.5	405.00	403.00	404.00	+1.00
410.00	408.00	IBM	5.8 15.5	410.00	408.00	409.00	+1.00
415.00	413.00	IBM	5.8 15.5	415.00	413.00	414.00	+1.00
420.00	418.00	IBM	5.8 15.5	420.00	418.00	419.00	+1.00
425.00	423.00	IBM	5.8 15.5	425.00	423.00	424.00	+1.00
430.00	428.00	IBM	5.8 15.5	430.00	428.00	429.00	+1.00
435.00	433.00	IBM	5.8 15.5	435.00	433.00	434.00	+1.00
440.00	438.00	IBM	5.8 15.5	440.00	438.00	439.00	+1.00
445.00	443.00	IBM	5.8 15.5	445.00	443.00	444.00	+1.00
450.00	448.00	IBM	5.8 15.5	450.00	448.00	449.00	+1.00
455.00	453.00	IBM	5.8 15.5	455.00	453.00	454.00	+1.00
460.00	458.00	IBM	5.8 15.5	460.00	458.00	459.00	+1.00
465.00	463.00	IBM	5.8 15.5	465.00	463.00	464.00	+1.00
470.00	468.00	IBM	5.8 15.5	470.00	468.00	469.00	+1.00
475.00	473.00	IBM	5.8 15.5	475.00	473.00	474.00	+1.00
480.00	478.00	IBM	5.8 15.5	480.00	478.00	479.00	+1.00
485.00	483.00	IBM	5.8 15.5	485.00	483.00	484.00	+1.00
490.00	488.00	IBM	5.8 15.5	490.00	488.00	489.00	+1.00
495.00	493.00	IBM	5.8 15.5	495.00	493.00	494.00	+1.00
500.00	498.00	IBM	5.8 15.5	500.00	498.00	499.00	+1.00
505.00	503.00	IBM	5.8 15.5	505.00	503.00	504.00	+1.00
510.00	508.00	IBM	5.8 15.5	510.00	508.00	509.00	+1.00
515.00	513.00	IBM	5.8 15.5	515.00	513.00	514.00	+1.00
520.00	518.00	IBM	5.8 15.5	520.00	518.00	519.00	+1.00
525.00	523.00	IBM	5.8 15.5	525.00	523.00	524.00	+1.00
530.00	528.00	IBM	5.8 15.5	530.00	528.00	529.00	+1.00
535.00	533.00	IBM	5.8 15.5	535.00	533.00	534.00	+1.00
540.00	538.00	IBM	5.8 15.5	540.00	538.00	539.00	+1.00
545.00	543.00	IBM	5.8 15.5	545.00	543.00	544.00	+1.00
550.00	548.00	IBM	5.8 15.5	550.00	548.00	549.00	+1.00
555.00	553.00	IBM	5.8 15.5	555.00	553.00	554.00	+1.00
560.00	558.00	IBM	5.8 15.5	560.00	558.00	559.00	+1.00
565.00	563.00	IBM	5.8 15.5	565.00	563.00	564.00	+1.00
570.00	568.00	IBM	5.8 15.5	570.00	568.00	569.00	+1.00
575.00	573.00	IBM	5.8 15.5	575.00	573.00	574.00	+1.00
580.00	578.00	IBM	5.8 15.5	580.00	578.00	579.00	+1.00
585.00	583.00	IBM	5.8 15.5	585.00	583.00	584.00	+1.00
590.00	588.00	IBM	5.8 15.5	590.00	588.00	589.00	+1.00
595.00	593.00	IBM	5.8 15.5	595.00	593.00	594.00	+1.00
600.00	598.00	IBM	5.8 15.5	600.00	598.00	599.00	+1.00
605.00	603.00	IBM	5.8 15.5	605.00	603.00	604.00	+1.00
610.00	608.00	IBM	5.8 15.5	610.00	608.00	609.00	+1.00
615.00	613.00	IBM	5.8 15.5	615.00	613.00	614.00	+1.00
620.00	618.00	IBM	5.8 15.5	620.00	618.00	619.00	+1.00
625.00	623.00	IBM	5.8 15.5	625.00	623.00	624.00	+1.00
630.00	628.00	IBM	5.8 15.5	630.00	628.00	629.00	+1.00
635.00	633.00	IBM	5.8 15.5	635.00	633.00	634.00	+1.00
640.00	638.00	IBM	5.8 15.5	640.00	638.00	639.00	+1.00
645.00	643.00	IBM	5.8 15.5	645.00	643.00	644.00	+1.00
650.00	648.00	IBM	5.8 15.5	650.00	648.00	649.00	+1.00
655.00	653.00	IBM	5.8 15.5	655.00	653.00	654.00	+1.00
660.00	658.00	IBM	5.8 15.5	660.00	658.00	659.00	+1.00
665.00	663.00	IBM	5.8 15.5	665.00	663.00	664.00	+1.00
670.00	668.00	IBM	5.8 15.5	670.00	668.00	669.00	+1.00
675.00	673.00	IBM	5.8 15.5	675.00	673.00	674.00	+1.00
680.00	678.00	IBM	5.8 15.5	680.00	678.00	679.00	+1.00
685.00	683.00	IBM	5.8 15.5	685.00	683.00	684.00	+1.00
690.00	688.00	IBM	5.8 15.5	690.00	688.00	689.00	+1.00
695.00	693.00	IBM	5.8 15.5	695.00	693.00		

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BUSINESS ROUNDUP

Saudis Draft a New Aramco Charter

NICOSIA — Saudi Arabia is drafting a new charter for Arabian American Oil Co., cutting its ties to the United States but seeking joint ventures with the four U.S. oil companies that formerly owned the oil giant, an oil newsletter reported Monday.

and sale of Saudi crude oil, paying royalties to the Saudi government. In 1973 Saudi Arabia bought a 25 percent share in Aramco and a year later raised its stake to 60 percent. In 1980, it acquired full control. As recently as 1986, Aramco still had nearly 4,000 U.S. employees, including many top executives.

Mr. Seymour said that the new Aramco would retain its technical and managerial assistance contracts with the four former Aramco parents — Exxon Corp., Mobil Corp., Texaco Inc. and Chevron Corp. — but not necessarily on the same terms.

Toyota and GM In Joint Venture

TOKYO — Toyota Motor Corp. and General Motors Corp. have established a 50-50 joint venture to coordinate production and sales of cars in Australia. Toyota announced Monday.

Casio Ltd. Delays Marketing Of DAT Recorders in U.S.

By Andrew Pollack
SAN FRANCISCO — Casio Computer Ltd., which was expected to become the first company to sell digital audio tape recorders in the United States, has put its plans on hold, indicating that the American introduction of the controversial product will be delayed yet again.

dards issued a report in March saying a copy protection plan proposed by the record companies would hurt the quality of the music and could also be easily bypassed. The record industry, in a last-ditch effort to maintain the barriers, then threatened to sue the first company that began selling the machines in the United States.

Sears of U.K. Sells Lewis's to New Managers

LONDON — Sears PLC has sold its Lewis's Stores unit to a new management team for £74 million (\$137 million), Midland Montagu Ventures Ltd. has announced.

At Joint-Venture Hotel, Manager Complained — and Lost

BEIJING — China's official English-language newspaper disclosed Monday that the American manager of a joint-venture hotel had been dismissed earlier this year, and concluded that the dismissal showed the need for the nation to change its management practices.

ed last week that Percival Darby, 49, had been dismissed as director of the Chung King Hotel in Chongqing, in the central Chinese province of Sichuan, after trying to improve staff standards and services.

with "interference" by the hotel's board in his work, the China Daily said, adding that this included giving "instructions" without Mr. Darby's knowledge. Such intervention is common practice in China, the paper said.

China Daily did not say where Mr. Darby is now. The paper quoted sources as saying that Mr. Darby, who was fired after 18 months at the hotel, had protested against "numerous banquets" held by his Chinese counterparts at hotel expense.

Tokyo Power Passes Toyota As Most Profitable in Japan

TOKYO — Tokyo Electric Power Co. surpassed Toyota Motor Corp. in 1987 to become Japan's most profitable corporation on a pretax basis, a private credit research body said here Monday.

The electric power company reported pretax income of 519.9 billion yen (\$4.17 billion) to the National Tax Administration Agency in 1987, up 22.6 percent from 1986 earnings, the research institute said.

It attributed the jump in Tokyo Electric's income chiefly to increased demand for electric power and to the stronger value of the yen, which has made imports of crude oil cheaper.

Nomura Securities Co., the largest securities firm in Japan, was second, with pretax income of 478.4 billion yen, a rise of 11.1 percent from 1986, the institute said.

Rowntree Urges Rebuff to Nestlé

LONDON — The chairman of Rowntree PLC, the British candy maker, urged shareholders on Monday to reject a £2.1 billion (\$3.9 billion) bid by the Swiss foods giant, Nestlé SA.

Nomura Securities Co., the largest securities firm in Japan, was second, with pretax income of 478.4 billion yen, a rise of 11.1 percent from 1986, the institute said.

The institute reported that 76,112 Japanese companies reported to the tax agency that they had income of more than 40 million yen last year.

CASTLE: Trying Out New Paths

when revenue came to \$282 million. Company executives say they began to realize they would have to bring in new and younger customers to increase sales of their 35-cent sandwiches. Three "burger bundles" at Burger King cost about \$1.29, and Wendy's new, smaller sandwich costs about 75 cents.

has bred fierce loyalty among some customers. The reasons for the square shape were purely practical — it enables more of the burgers to fit onto a griddle. The five holes in the parties also serve a practical purpose. The steam that rises through the holes cooks both sides of the burger, making it unnecessary to turn it over.

Although the privately held company would not discuss profits, sales for its individual restaurants averaged \$1.26 million last year, down slightly from the previous year because of a few unsuccessful restaurant openings.

Indigo Take-off
With one component stock having quadrupled since the crash and another on the verge of tripling, the Indigo Index has completed one run from 100 to 181 and looks ready now to clear 300.

Templeton Global Income Portfolio Ltd.
"A World of Income"
The world, linked today like never before. Risks on one continent may represent opportunities on another. Templeton International, the organization with over four decades of successful global investing, offers you an exciting new product: Templeton Global Income Portfolio Ltd.

TO OUR READERS IN HOLLAND
The International Herald Tribune is now on newsstands throughout Holland every morning six days a week Monday-Saturday.

Selected U.S.A./O.T.C. Quotations
Table with columns: Symbol, Bid, Ask. Includes Alan Jones Pt Stop, Bitter Corp, Chiron, Gold, Gary USA Inc, Goodmark Food, MAG Holdings, NAV-AIR.

PUBLIC APOLOGY
Business School Lausanne wishes to make an apology to all those enquirers who have responded to I.H.T. advertisements. We have been overwhelmed by your enquiries. Many thanks.

AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High, 12 Month Low, Div. Yld. PE, and various stock symbols like AMEX, AMEX, AMEX, etc.

Table with columns: 12 Month High, 12 Month Low, Div. Yld. PE, and various stock symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table with columns: 12 Month High, 12 Month Low, Div. Yld. PE, and various stock symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

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INTERNATIONAL FUNDS (Quotations Supplied by Funds Listed) 9th May 1988

Large table listing various international funds with columns for fund name, currency, and performance metrics.

Crude Oil Prices Firm In Cautious Trading

LONDON - Crude oil prices firmed further on the international spot markets on Monday, but trading activity remained thin and cautious.

AMEX High-Lows

Table showing AMEX high and low prices for various securities.

Floating-Rate Notes

Table listing floating-rate notes with columns for issuer, coupon, and due date.

Deutsche Marks

Table listing exchange rates for Deutsche Marks.

Pounds Sterling

Table listing exchange rates for Pounds Sterling.

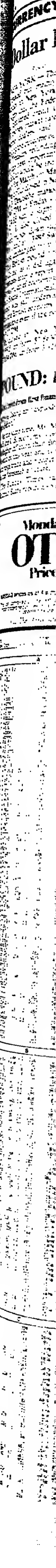
Japanese Yen

Table listing exchange rates for Japanese Yen.

E.C.U.

Table listing exchange rates for E.C.U.

AS - Australian Dollars; BF - Belgium Francs; CD - Canadian Dollars; DM - Deutsche Mark; ECU - European Currency Unit; FF - French Franc; FL - Dutch Florin; L - Italian Lira; Lf - Luxembourg Franc; P - Swiss Franc; S - Spanish Peseta; Y - New Zealand Dollar; Z - Other Foreign Currencies.



CURRENCY MARKETS

Dollar Little Changed in New York

NEW YORK — The dollar ended mixed but mainly steady on Monday in New York, supported by signs that the Federal Reserve had tightened credit to push up U.S. money market rates.

London Dollar Rates table with columns for currency, rate, and change.

The dollar had firmed on conjecture that the Fed might be tightening monetary policy, dealers said. In the morning, the Fed added temporary reserves via customer repurchase agreements of \$1.5 billion, a less aggressive move than the market had expected.

Norway Cuts Its Overnight Lending Rate

OSLO — Norway's central bank cut its key interest rate on Monday amid signs that the country's problems with high costs and trade imbalance could be receding.

Japanese Seen as Moderate Auction Buyers

TOKYO — Japanese investors are likely to be moderate buyers at the U.S. Treasury's \$26 billion quarterly auction this week, despite a growing wariness over the dollar and the potential for higher U.S. inflation, analysts say.

Bonn Banks Set Up Credit For Moscow

By Robert J. McCartney Washington Post Service BONN — A group of West German banks has granted the Soviet Union a 3.5 billion Deutsche mark (\$2.1 billion) line of credit, the biggest Western financial package for Moscow in seven years.

The loan package, announced Sunday, is in finance projects to reconvert the Soviet consumer goods and food processing industries, according to Deutsche Bank AG, the head of the consortium.

POUND: Economist Says Currency Still Undervalued

(Continued from first finance page) many is facing an "exploding budget deficit."

At the same time, Mr. Morrison said, the U.S. economy is on course for higher inflation than Britain by the end of this year and is saddled with huge trade and budget deficits for the foreseeable future.

MADRID: 'Big Bang Español' Is Expected for Bolsa

(Continued from first finance page) Securities and Exchange Commission are to be introduced.

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Guillermo de la Dehesa Romero, state secretary for the economy, who masterminded the reform, replied that the new rules would be much less interventionist than, for example, in Britain.

Monday's OTC Prices MASDAQ prices as of 4 p.m. New York time. This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar volume.

Monday's OTC Prices table listing various stocks and their prices.

12 Month High/Low Stock table with columns for stock name, price, and change.

12 Month High/Low Stock table with columns for stock name, price, and change.

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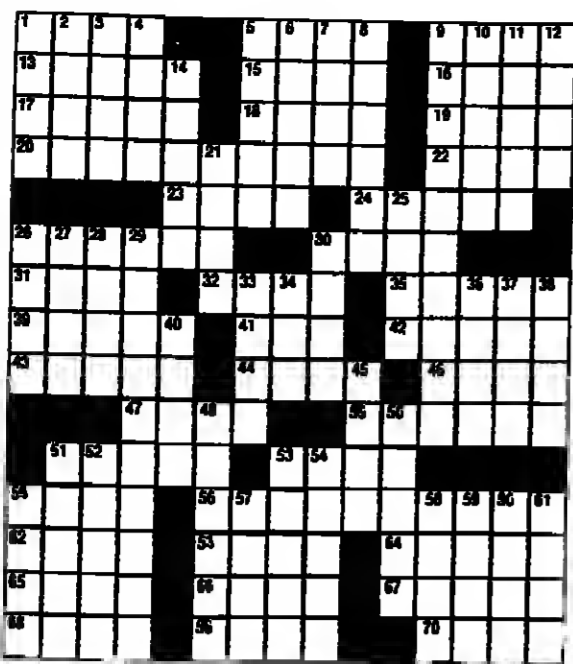
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Monday's AMEX Closing Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.



ACROSS

1 Jazz-singing form
5 Johnny on the spot
9 Act without words
13 Uninteresting Soviet river
16 Sealed covering
17 Like very much
18 Cheers for a matador
19 Abominable Snowman
20 They have "daring buds"
22 Draft status
23 Otherwise
24 Popular puzzle birds
26 "Sweet home" for Eastwood
30 First name of 44 Across
31 Samoan seaport
32 Summit
33 One who is wholly holy
39 Distant Samuel
41 A Gypsy who rose via few clothes
42 — miss (at random)
43 Proficient
44 Actor in "Same Time, Next Year"

DOWN

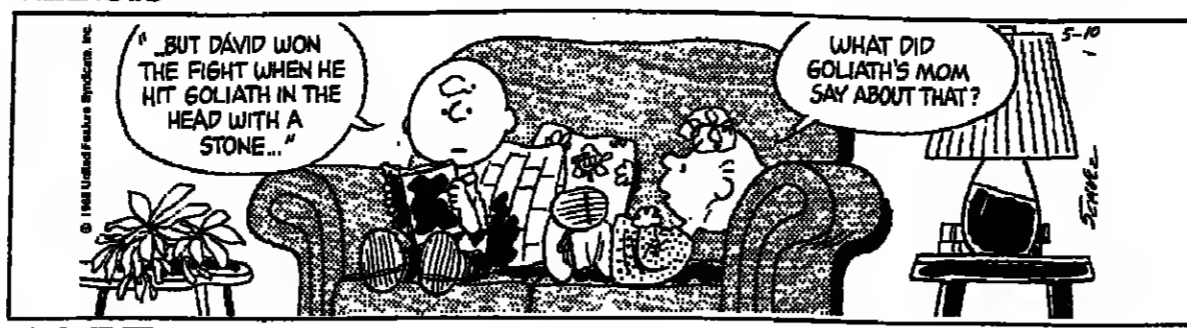
1 Make-believe
2 Musical closing
3 Nautical salute
4 Horse-racing track
5 Retards
6 West Indies volcano
7 Lulu
8 Corn part
9 Salad component
10 Personification of peace
11 Chiggers

46 Brain in Barcelona
47 Buck heroine
48 Thought
51 Tinge
53 Danube feeder or jar
55 A spice
56 "In the merry month"
62 Rumanian city
63 French department
64 Metallic waste product
65 Part of a casa
66 Lively dance
67 Uncanny
68 Linger
69 When luters outnumbered computers
70 It's shed in a woodshed

21 Mexican stew or jar
25 Madcap
26 Matador's apparel
27 Imitated
28 Fully developed celebration, to some
30 Cut
32 Scheme
34 Conger
36 Part of many a column
37 Proboscis
38 Walked upon
40 capital of Manche
45 Biblical wife
48 Mill depot
50 Destroy slowly
51 Gemologist's concern
52 Fla. city
53 More secret
54 Monument alab
55 Conglomerate
57 Mountain: Comb. form
58 Irritate
59 Additional
60 Where Brunel is
61 North Sea leader

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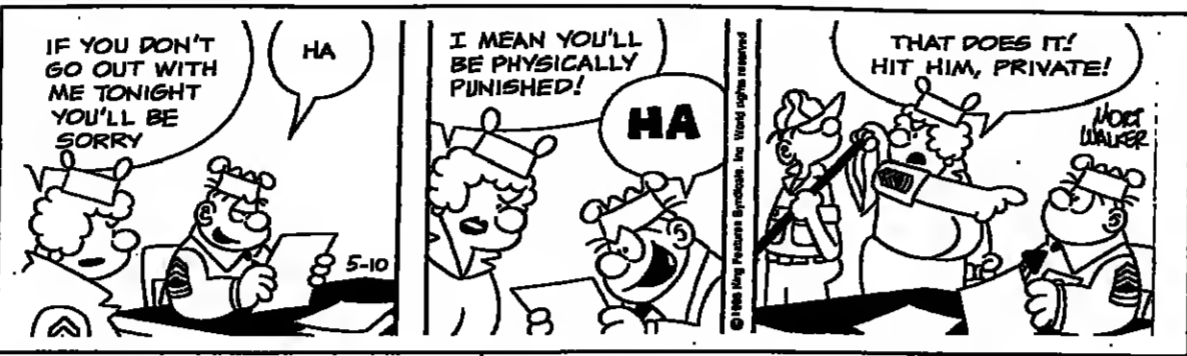
PEANUTS



BLONDIE



BEEBLE BAILEY



ANDY CAPP



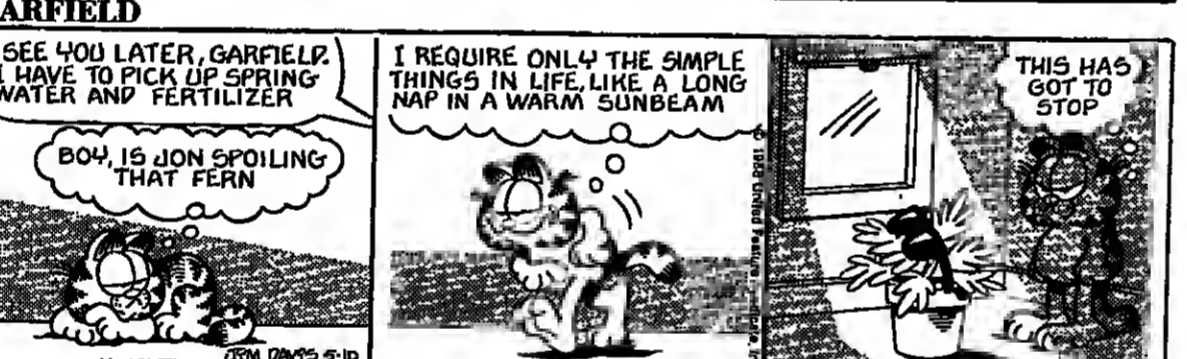
WIZARD OF ID



REX MORGAN



GARFIELD



DENNIS THE MENACE



WEATHER

EUROPE				ASIA			
City	High	Low	Wind	City	High	Low	Wind
Algeria	20	15	W	Bangkok	32	26	W
Amsterdam	10	8	W	Beijing	18	12	W
Antwerp	10	8	W	Hong Kong	28	22	W
Berlin	12	10	W	Kobe	22	16	W
Brussels	12	10	W	Manila	30	24	W
Buenos Aires	18	12	W	Osaka	22	16	W
Cairo	22	16	W	Seoul	18	12	W
London	12	10	W	Singapore	28	22	W
Madrid	18	12	W	Taipei	22	16	W
Moscow	12	8	W	Tokyo	18	12	W
New York	18	12	W				
Paris	12	10	W				
Rome	18	12	W				
Sao Paulo	22	16	W				
Stockholm	12	8	W				
Toronto	12	8	W				
Zurich	12	10	W				

World Stock Markets
Via Agence France Presse Closing prices in local currencies, May 9

Market	Index	Change
Amsterdam	100	+1.5
Bombay	100	+1.5
Buenos Aires	100	+1.5
Calcutta	100	+1.5
Cairo	100	+1.5
Colon	100	+1.5
Hankow	100	+1.5
Harbin	100	+1.5
Hong Kong	100	+1.5
Kobe	100	+1.5
London	100	+1.5
Lyons	100	+1.5
Manila	100	+1.5
Medan	100	+1.5
Osaka	100	+1.5
Paris	100	+1.5
Shanghai	100	+1.5
Singapore	100	+1.5
Sourabaya	100	+1.5
Taipei	100	+1.5
Tientsin	100	+1.5
Tokyo	100	+1.5
Yokohama	100	+1.5

BOOKS

THE EAGLE AND THE LION:
The Tragedy of American-Iranian Relations
By James A. Bill. 520 pages. \$25. Yale University Press, 302 Temple Street, New Haven, Conn. 06520.
Reviewed by Jim Hoagland

THE latest account of how the United States blinded itself to the events that led to the overthrow of Shah Mohammed Reza Pahlavi and the coming to power of Ayatollah Ruhollah Khomeini in Iran is a disturbing book on two levels. It is disturbing for what it says about the United States; it is even more disturbing for what it does not say about Iran.

James A. Bill puts in perspective and expands on what we already know of the mistakes the United States made in assessing and reacting to the turmoil that swept the shah off the peacock throne in January 1979. Bill, a professor of government at William and Mary and a close observer of the Iranian scene for 25 years, has pored loose some new details about the bureaucratic battles fought in the Carter administration. He also makes good use of his experiences with U.S. diplomats and their blundered policies in Iran during the 1970s.

This is a surprisingly fresh rendition of events already covered in a cascade of other books. Bill's well-constructed narrative will hold the non-expert reader's interest even though most of the conclusions are familiar

and the outcome is so well known. He skillfully identifies and explains crucial turning points in the steady rise of anti-Americanism in Iran that have been neglected elsewhere.

He provides, for example, the first good summary I have seen of the intense controversy that erupted in 1964 when the United States extracted from the Iranian Parliament approval for an extraordinarily broad Status of Forces Agreement (SOFA) that took away Iranian legal control over the growing American military presence there. The agreement was denounced by one religious leader in these angry words:

"They have reduced the Iranian people to a level lower than that of an American dog. If someone runs over a dog belonging to an American, he will be prosecuted. Even if the shah himself were to run over a dog belonging to an American, he would be prosecuted. But if an American cook runs over the shah, the head of state, no one will have the right to interfere with him."

The speaker was, of course, Ayatollah Khomeini. This incident led to Khomeini's being swiftly exiled. Bill is right to focus on it in detail.

But his handling of the SOFA dispute also illustrates the great weakness of "The Eagle and the Lion," which is also found in many other recent works on the American presence abroad. Bill has nothing to say about American motivation for insisting on special protection for its forces in Iran, a country marked by virulent xenophobia even when it was known as Persia and long before the shah struck his alliance with Washington. He cites only Khomeini's explanation, which is consistent with the general sense that pervades this book that insidious American arrogance, chicanery and clumsiness bear the responsibility for the destruction of U.S.-Iranian relations and the implacable hostility that Iranians show toward Americans and other foreigners today.

The shah and those around him got some share of the blame in passing. But there is no sustained effort by Bill, an Iranian scholar, to show what in Iran itself produced the crude bigotry and fanaticism that powered Tehran's determination to humiliate Washington once the revolution had taken hold.

Iran's own specific characteristics and shortcomings contributed mightily to this disaster and deserve more attention in this account.

Jim Hoagland is on the staff of The Washington Post.

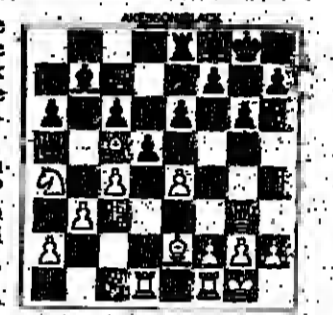
Solution to Previous Puzzle

TALC	JACK	OVERT
AMOR	ISLE	LAKER
CATO	TAR	ARETE
THISON	PROVIDES	
SUET	PIE	
PARITY	ACCIOENT	
EMEND	ALAI	ROO
ABIGOP	PORTUNITY	
CON	ASHE	LUCIE
HYSONTEA	ARMAND	
RUT	ITIS	
IHEART	TKNOCKING	
DWANS	ALAN	UVEA
ELUGE	TUNA	LEAP
ASKED	AXEL	LYRE

CHESS

By Robert Byrne

CONSIDERING the fine crop of young grandmasters in Iceland, it was not surprising that one of their number, 27-year-old Jon Arason, won the 13th Reykjavik International Open Tournament.



Arason topped a strong Swiss-system field of 54 players with an 86-2% score and was awarded \$9,000. The surprise was that an international master, Vasilios Kotronias of Greece, should have scored 8-3 and scraped by a horde of grandmasters to snatch clear second and a \$6,000 prize.

Sharing third place were the grandmasters Mikhail Gurevich and Sergey Dolmatov, both of the Soviet Union, and Marger Petrusson of Iceland, and the international master Goran Dizdhar of Yugoslavia. Each recalled 76-3% and received \$2,125. Arason cleverly sneaked a mating attack into position to defeat Ralf Akesson, a Swedish international master.

In the Paulsen Variation 4...P-QR3, of the Sicilian Defense, a stark confrontation appears if White exchanges with 8 Nc3, Nf3; Black has the potential of building up a powerful center, but can he overcome his retarded development?

Arason's 9 N-R4 was a positional move, clearing a path

for the advance of the white QBP as well as bearing on the weak square QN3 in the black camp. Yet it also contained the grisly trap, 9...N-K2; 10 B-N6!

After 9...R-N1, Arason had no need to defend his QNP but continued developing with 10 O-O, aware that he could punish 10...BxP; 11 Nc3, Rxb2 by 12 B-Q4.

On 15 B-B5, White's QNP was once again taboo, because 15...BxP; 16 P-N1, B-B3; 17 Rxb2, BxR; 18 P-K5; BxP; 19 Q-N4, Q-B2; 20 Bc3, Bc3; 21 K-R1 creates a middle game where White's extra piece outweighs Black's three pawns.

After 18 Q-Q3, Akesson might have tried 18...P-K4, although White stands better following 19 P-N4, K-R1; 20 P-B4. Instead his 18...Q-R4? involved him in trouble he had not anticipated.

Arason's 19 P-N3 set up a threat to win a piece with 20 BxN and after 19...Bc3, B1 started the forcing sequence of a mating attack with 20 B-N6!

On 20...Q-N5; 21 B-Q4! Akesson could not defend his K1-QR8 diagonal with 21...B-N2 because 22 B-B5, Q-R4; 23 BxN would then cost Black a piece. He therefore gave up a pawn with 21...P-Q8.

Arason was not to be sidetracked but went right for the

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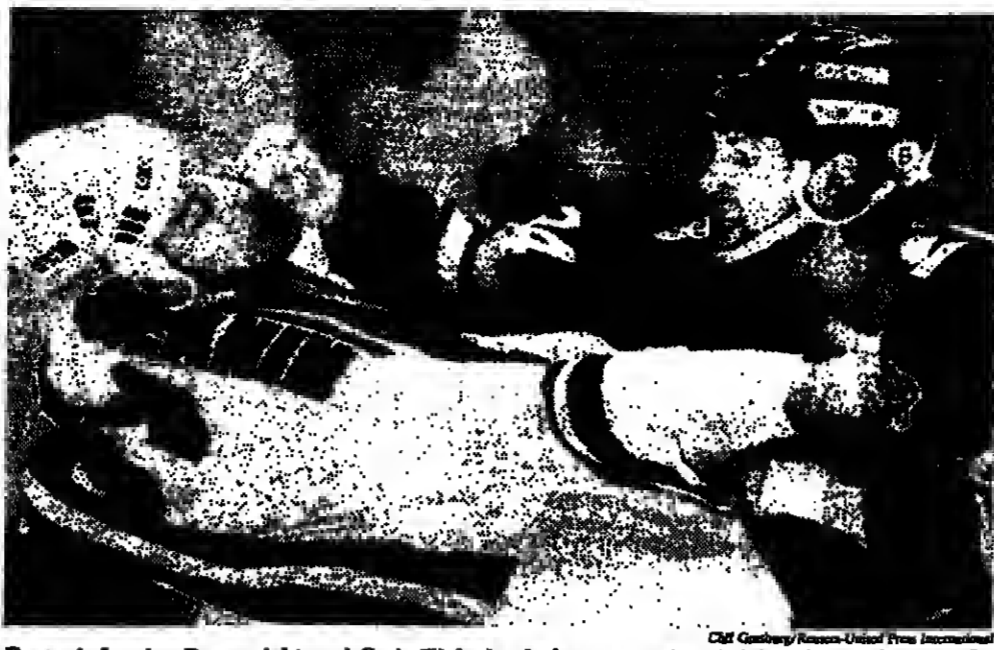
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SPORTS

Amateurs Officiate As Devils Tie Series

By Robin Finn
New York Times Service
EAST RUTHERFORD, New Jersey — It was the Stanley Cup playoff game that almost wasn't.



Boston's Landon Byers, right, and Craig Wolanin, during a second-period free-for-all that saw the impromptu officiating crew hand out a total of 44 minutes in penalties to four players from each team.

Schoenfeld's confrontation with Koharski after Game 3. Schoenfeld, angered by the officiating in that game, had intercepted Koharski as the official walked from the ice.

Pistons Smother Bullets; Hawks Will Face Celtics

Compiled by Our Staff From Dispatches
PONTIAC, Michigan — Joe Dumars of the Detroit Pistons shot 14 of 18 bullets Sunday to earn the most difficult individual assignment in the National Basketball Association playoffs: stopping Michael Jordan.



Andre Agassi: No loss of competitive spirit and on-court flair.

Agassi: New Hope For Tennis in U.S.

By Peter Alfano
New York Times Service
NEW YORK — The young man in a hurry would have to be brief in his postmatch interview. There was a plane to catch to Rome, site of the Italian Open, where word of Andre Agassi's latest exploits would doubtlessly precede him.

Stewart Keeps A's Rolling

By Malcolm Moran
New York Times Service
OAKLAND, California — There is a sense of inevitability about the Oakland Athletics. Not the type that takes success for granted and turns winning teams into October disappointments.

BASEBALL ROUNDUP

innings. Only three of those runs were earned, however, as the kind of mistake the Athletics try to exploit came relatively early.

NBA PLAYOFFS

second round. Meanwhile, the Los Angeles Lakers routed Utah in the opener of a Western Conference second-round series.

Major League Standings

Table with columns for American League and National League, listing teams, wins, losses, and percentages.



Second baseman Brad Wellman denied Mike Felder on this play, but the Brewers beat the Royals, 6-2.

SCOREBOARD

Scoreboard table with columns for Baseball, Basketball, and Hockey, listing games, scores, and key players.

SIDELINES

Galaxy Wins WBA Bantamweight Title
BANGKOK (AP) — Khaokor Galaxy of Thailand won the World Boxing Association bantamweight title Monday on a 12-round split decision over Wilfredo Vasquez of Puerto Rico.

Koch Takes Las Vegas Golf by 1 Stroke

LAS VEGAS (AP) — Gary Koch emerged from a six-man scramble Sunday with a 67 and his first victory in four years, a one-stroke triumph in the Las Vegas Invitational golf tournament, the richest on the PGA tour.

Players Seeking Squash Rules Changes

AMSTERDAM (AP) — The International Squash Players' Association voted Monday to promote worldwide acceptance of new rules for the sport.

Notable

• Dan Pasqua of the Chicago White Sox, after breaking a bat while looping an RBI single: "It died a hero's death." (LAT)

Transition

BASEBALL
American League
BALTIMORE — Fred McGriff, catcher, in Rochester of the International League, recalled by Major League Baseball.

Golf

The Hattberg and carriage in the Las Vegas Invitational tournament, which ended Sunday on the 7,162-yard, par-72 Las Vegas Country Club course.

Tennis

European Davis Cup 1st Second Round (At Carle, Ireland)

European Soccer

SPANISH FIRST DIVISION
Sevilla 0, Mallorca 0
Real Madrid 1, Real Sociedad 0
Athletic Bilbao 4, Osasuna 0

